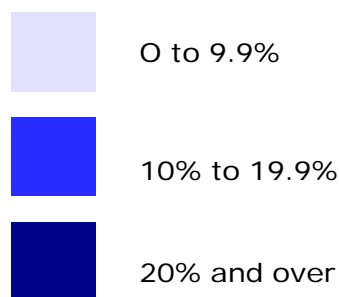
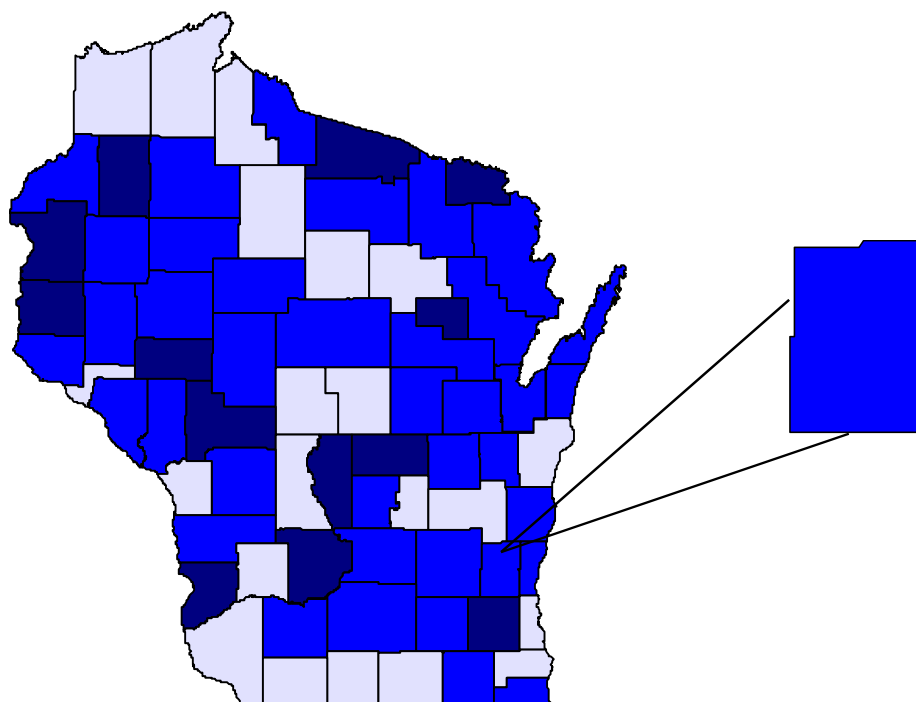


Washington County Workforce Profile

Job Growth 1994 to 1999



Wisconsin Department of Workforce Development
Division of Workforce Solutions
Bureau of Workforce Information
October 2001



State of Wisconsin
Department of Workforce Development

Introduction

The County Workforce Profile has been developed by the Wisconsin Department of Workforce Development's (DWD) Bureau of Workforce Information (BWI) to provide a broad overview of Washington County's labor market. The data included in this fourth year of publication is for 1999 to maintain consistency with the previous publications and to provide the user with a single year of reference in order to draw comparisons and form a picture of related labor force and employment information.

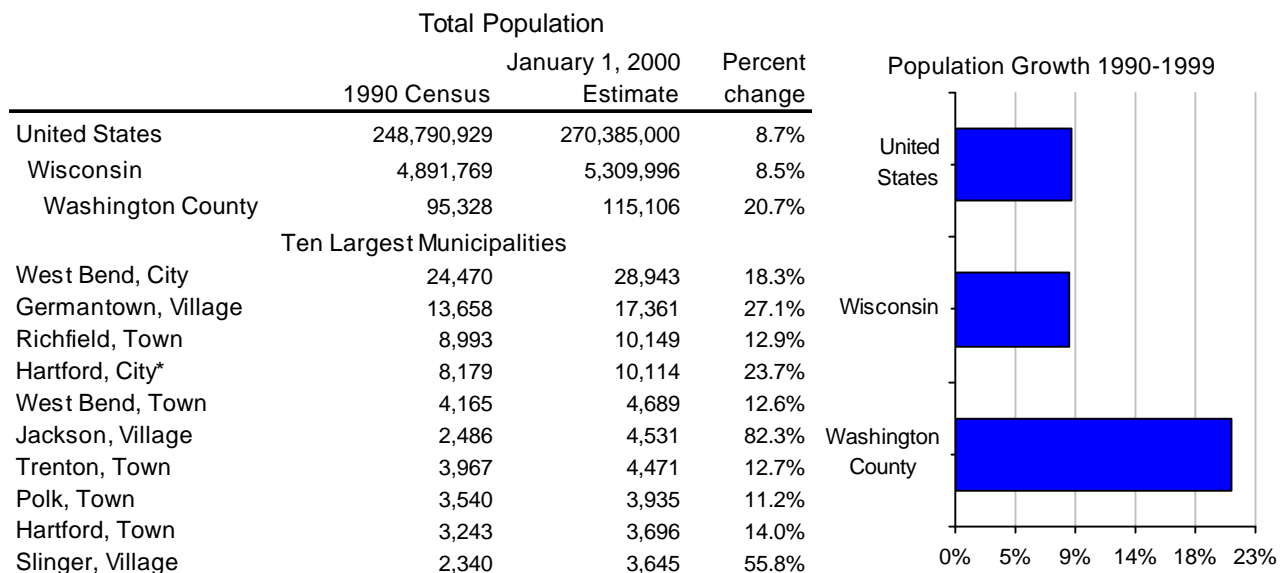
A variety of economic and demographic labor market information have been provided to describe the current labor market conditions in the counties and regions of Wisconsin. That information includes 1999 data on population, labor force, industries, employment, wages and income. The narrative describes how local conditions have changed over one-year and five-year intervals. Although population information is available from the 2000 census, it is not included in this publication since the period of time selected for all data sets is 1999. For more recent releases of information please consult the Wisconsin Department of Workforce Development Labor Market Information website: <http://www.dwd.state.wi.us/lmi>.

For more detailed information or clarification, please contact your local labor market analyst,
Jeff Sachse, by telephone (262-695-7784) or email (sachsje@dwd.state.wi.us).

DWD is an equal opportunity service provider. If you need assistance to access services or material in an alternate format, please contact the analyst listed above.

Washington County Population and Civilian Labor Force

For the period of the 1990's, Washington County's population grew by slightly under 20,000 residents for an estimated growth rate of 20.7%. This far exceeds both the national and state growth rates of 8.7 and 8.5%, respectively. The growth rate is also the highest in the Metropolitan Milwaukee area, outpacing Waukesha (16.7), Ozaukee (12.3), and Milwaukee (-0.5%). The aggregate County growth rate is far surpassed by several cities and villages in the County, such as Jackson (82.3), Slinger (55.8), Germantown (27.1) and Hartford (23.7). While West Bend, the County's largest city experienced a growth rate below the County average, it experienced the largest absolute increase of slightly less than 4,500 residents. Much of this growth can be attributed to the pattern of suburbanization in the metropolitan area, which has recently shifted some of its focus from the western areas of Waukesha County to Washington County. This shift has been facilitated by recent improvements made to US Highways 41 and 45, which serve as the main north-south corridor into Milwaukee and Waukesha Counties. The effect of these improvements will be examined later in this profile.

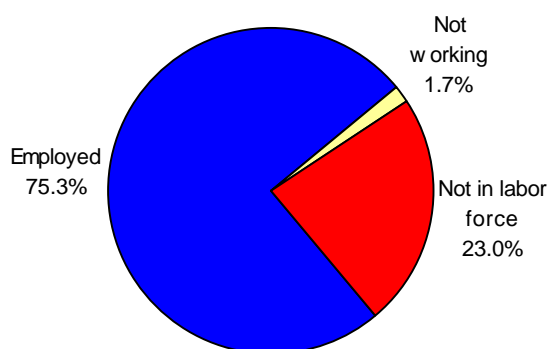


Source: WI Dept. of Admin., Demographic Services Center, *Official Population Estimates*, January 1, 2000

The labor force is the sum of those employed and unemployed *that have actively sought work in the last month*. **Labor force eligible persons must be 16 years or older and not a member of an institutional population** such as a prison or an armed forces member living on a military base. The term “unemployed” does not necessarily include all people who are not working. For example, those who are retired or choose not to work are not considered unemployed. The phrase “Not Working” in the graph below assumes unemployed for the purposes of this profile.

Washington County's labor force grew by 5,800 people over the period between 1994 and 1999, resulting in a growth rate of 8.6%. This period of constant growth, even over the past year is contrary to the trend observed statewide, where the labor force in several counties has exhibited a slight decline. This pattern of steady growth is attributed primarily to migration effects.

1999 Labor Force Participation



The relationship between the labor force and only those who are labor force eligible is termed the labor force participation rate. The labor force participation rate for Washington County stands at 77.0 percent for 1999, down from 78.7 percent in 1998. This measurement tells one that 77.0 percent of those 16 and older and civilian are either employed or have actively sought work during 1999. The pie chart to the left outlines the components of this rate.

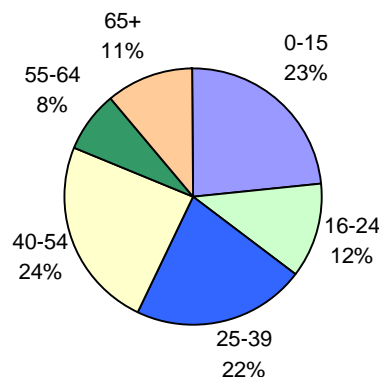
The Washington County labor force participation is higher than the Wisconsin average of 72.3 percent. Both Washington County and Wisconsin have a higher rate than the U.S. rate of 67.1 percent.

Source: Estimated from WI Dept of Administration population estimates, Jan 2000, US Census Bureau, and Local Area Unemployment Statistics

According to the above graph, 24.7 percent of Washington County residents are not in the labor force, up from 23.4 percent in 1998. This may be for many reasons: choosing not to work, being unemployed and not actively looking for work, or career retirement. Demographics probably play a much larger part of this trend than is normally attributed. The graph and table below outline the age characteristics of Washington County. The largest age increases were in the older portion of the baby boomers and those 65 and older. Washington County has a median age of 36.6 years. This is higher than the state's median of 36.0 years.

Washington County Labor Force Age Population Distribution

Age Group	Population		Percent change
	1990 Census	1999 Estimate	
0-15	24,258	27,121	11.8%
16-24	11,559	13,543	17.2%
25-39	24,216	24,825	2.5%
40-54	17,925	27,787	55.0%
55-64	7,430	9,179	23.5%
65+	9,940	12,650	27.3%



Source: Estimated from WI Dept of Admin, Demographic Services Center, Official Population Projections 1990-2020 and US Census Bureau

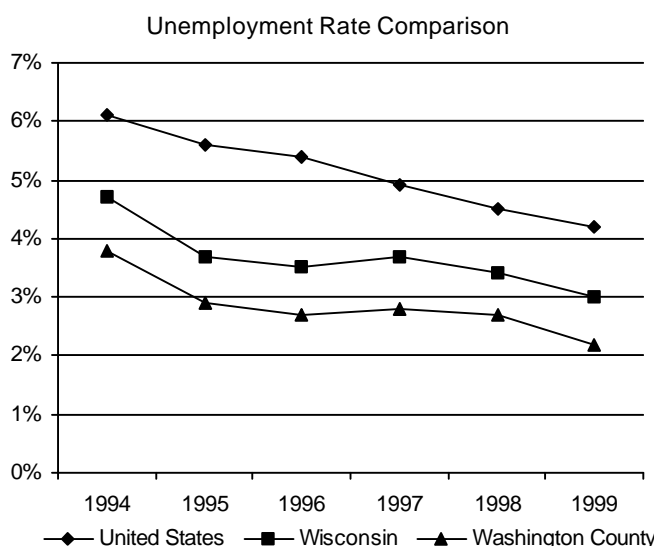
Washington County Civilian Labor Force Data

	1994	1995	1996	1997	1998	1999
Labor Force	61,300	63,200	65,900	66,700	67,500	67,100
Employed	59,000	61,400	64,200	64,900	65,700	65,600
Unemployed	2,340	1,850	1,750	1,850	1,810	1,500
Unemployment Rate	3.8%	2.9%	2.7%	2.8%	2.7%	2.2%

Source: WI DWD, Bureau of Workforce Information, Local Area Unemployment Statistics

The mid to late 1990's brought unprecedented labor force growth to the County, as was previously noted. The resulting growth rate of 8.6%, as previously stated is significantly lower than the state growth rate of 12.0%. Examining the individual components of the aggregate labor force — the employed and unemployed, will help to explain this difference. The number of persons employed in the County grew by 10.1% between 1994 and 1999. This growth was coupled with an astounding 56% decrease in the number of unemployed participants, resulting in an unemployment rate of 2.2% in 1999. This unemployment ranks third out of the four counties in the metropolitan area, with Ozaukee (1.9), and Waukesha (2.1) having lower rates, and Milwaukee County (3.8%) having a much higher rate. The State of Wisconsin's employed rose by 14 percent and the unemployed decreased by 23 percent. This contrast speculates that while the 1990's economic upswing not only created jobs and lured those who may have been detached from the workforce, it also convinced others to get out of the workplace. Those opting out of their careers (or any other employment) are typically of retirement age, which is either getting older or younger, depending upon which source one consults.

Washington County's 1999 labor force figures show 65,600 as employed, yet the nonfarm employment



Source: WIDWD, Bureau of Workforce Information, Local Area Unemployment Statistics

figures (table on page 4) show 48,552 jobs in the county. This discrepancy is explained by the different survey methods used to measure those employed and the number of jobs in a locale. The labor force figures are gathered monthly by means of a "place of residence" survey. This survey measures whether someone works, not where they work. The nonfarm jobs survey surveys employers, measuring the number of jobs without consideration of where the employees live. The difference between these two is explained by commuting patterns, as shown below.

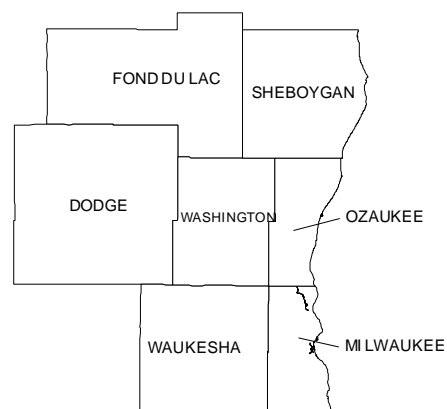
Washington County Commuting Patterns

	Commute Into	Commute From	Net Commute
Dodge County	N/A	2,140	N/A
Fond du Lac County	N/A	1,710	N/A
Ozaukee County	2,792	1,006	-1,786
Milwaukee County	11,018	1,766	-9,252
Sheboygan County	231	1,043	812
Waukesha County	6,866	1,793	-6,866
Elsewhere	1,797	272	-1,525
Total	22,704	9,730	-12,974

Work within Washington County 27,068

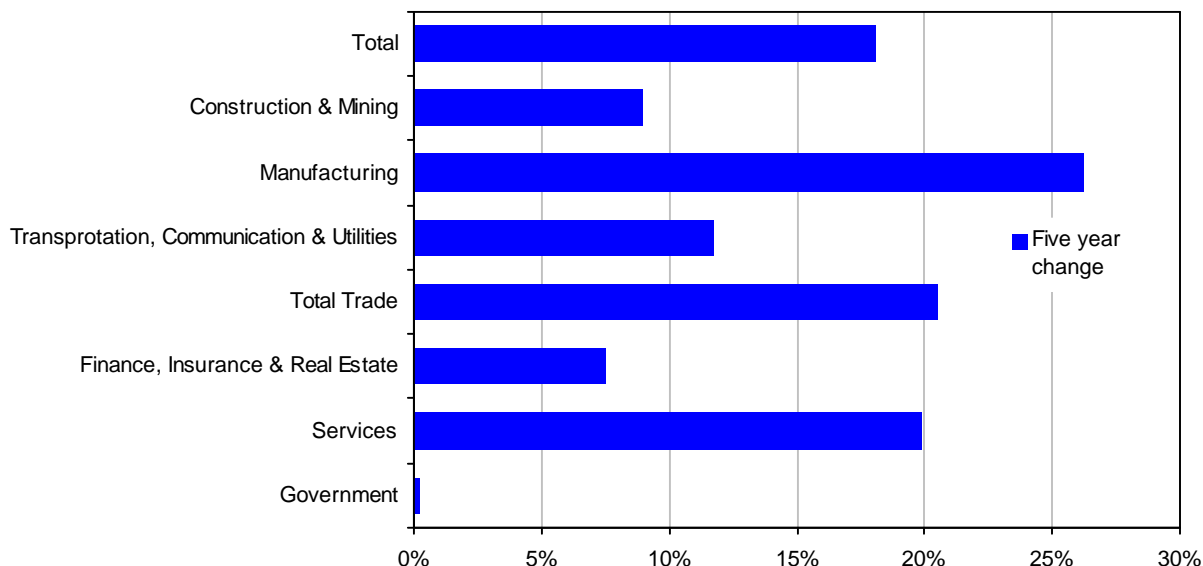
Source: WI DWD, Bureau of Workforce Information. Wisconsin's Commuting Patterns, 1994.

(note: Commuting data from 1994 is the most recent data available until the 2000 Census is published.. While many changes are expected, the flow patterns and net commuting dynamics are probably fairly similar.) Washington County workers are very mobile. Approximately 46.5 percent, or 22,704, of the employed residents work outside of the county. Milwaukee County is the destination for 48% of the outbound commuters, with Waukesha County being the destination of an additional 30% of the outbound commuters. Overall, Washington County loses workers to all neighboring counties with the exception of Sheboygan County. In fact, the county gains 812 workers from its neighbor to the north-east.



Most commuters travel along a pair of major north-south highways, US Highways 41 and 45. Commuters enter the highway primarily from Germantown and West Bend. Highways 33 and 60 are east/west highways that are used to commute to Ozaukee County and into Waukesha County.

Washington County Employment Change by Industry 1994 to 1999



	1994	1995	1996	1997	1998	1999	Percent change	
							1 year	5 year
Total	41,113	43,578	45,701	46,101	47,359	48,552	2.5%	18.1%
Goods Producing	15,621	16,855	18,039	18,211	18,820	19,299	2.5%	23.5%
Construction & Mining	2,428	2,334	2,306	2,462	2,546	2,645	3.9%	8.9%
Manufacturing	13,194	14,521	15,733	15,749	16,273	16,655	2.3%	26.2%
Durable	9,309	10,403	10,490	10,843	11,351	11,266	-0.8%	21.0%
Nondurable	3,883	4,118	4,967	4,906	4,922	5,389	9.5%	38.8%
Service Producing	25,492	26,723	27,662	27,890	28,539	29,253	2.5%	14.8%
Transportation, Communications & Utilities	1,695	1,756	1,776	1,900	1,965	1,894	-3.6%	11.8%
Total Trade	9,034	9,607	9,666	10,095	10,327	10,889	5.4%	20.5%
Wholesale	1,686	1,793	1,847	2,284	2,308	2,540	10.1%	50.6%
Retail	7,347	7,814	7,819	7,811	8,019	8,349	4.1%	13.6%
Finance, Insurance, and Real Estate	1,882	2,005	1,997	2,026	2,029	2,023	-0.3%	7.5%
Services & Misc.	7,804	8,000	8,580	9,046	9,265	9,360	1.0%	19.9%
Total Government	5,077	5,354	5,643	4,823	4,953	5,088	2.7%	0.2%

Source: WIDWD, Bureau of Workforce Information, Nonfarm Wage & Salary estimates.

The nonfarm wage and salary figures above outline the number of jobs by industry within Washington County. This data excludes agricultural, military and self-employed persons.

Total job growth in the County over the period between 1994 and 1999 registered at 18.1%, nearly 7% higher than the state growth rate of 11.8%. Yearly growth has been slightly erratic, but positive, ranging between a low mark of under 1% in 1997 to 5.6% in 1995. This is similar to the pattern of growth exhibited by all of the suburban counties in the metropolitan area, where population growth has been accompanied by an increased demand for goods and services.

Of particular interest in the analysis of these growth rates is the phenomenal growth in the manufacturing sector (26.2%), and in wholesale trade (50.6%). This growth can be explained as a result of two separate, yet related phenomena. Over the past five years, new and expanding manufacturing firms have placed an increased focus on Washington County. In addition to these manufacturing firms, a number of wholesale distributors have constructed warehouse facilities in the County. As new firms expand and relocate, job seekers are drawn to the new opportunities presented. This results in increased migration as well as an increased demand for retail trade and other services. In addition, the construction industry, which has suffered somewhat, as a whole, has experienced growth in response to the demand for new industrial facilities and residential development.

Washington County's Largest Industries and Employers

Top 10 Industry Groups

Industry Group	March 2000		Numerical Change	
	Employers	Employment	1 Year	5 Years
Industrial Machinery And Equipment	124	3,569	19	698
Eating And Drinking Places	148	3,132	-87	400
Educational Services	15	3,078	32	272
Fabricated Metal Products	45	2,852	150	93
Printing And Publishing	26	2,740	-87	1308
Health Services	92	2,737	54	272
Electronic & Other Electric Equipment	9	2,030	-56	-341
Special Trade Contractors	329	1,885	135	265
Business Services	119	1,437	55	201
Wholesale Trade-Durable Goods	165	1,424	71	411

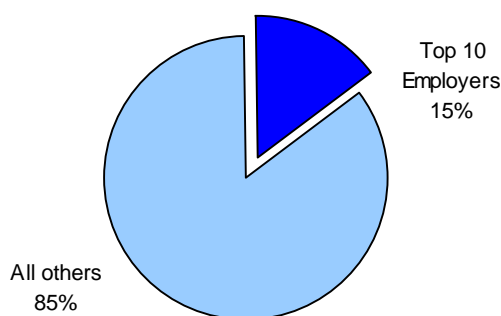
*data suppressed to maintain confidentiality

Top 10 Private Sector Employers

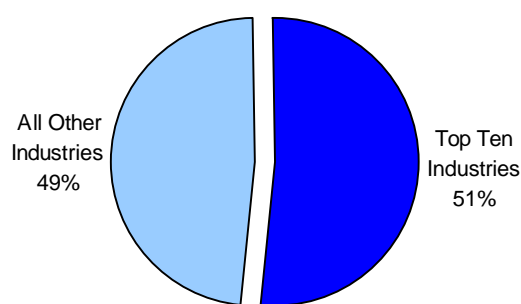
Company	Product or Service	Size
Serigraph Inc	Commercial Printing	1000+
Quad/Graphics Inc	Commercial Printing	500-999
West Bend Co	Electric Housewares	500-999
Broan-Nutone LLC	Electric Housewares	500-999
Benevolent Corp Cedar Campuses	Nursing and Personal Care	500-999
Saint Joseph's Community Hospital	General Medical and Surgical Hospitals	500-999
West Bend Mutual Insurance Co	Fire, Marine and Casualty Insurance	500-999
Prescott's Supermarkets Inc	Grocery Store	500-999
Maysteel LLC	Sheet Metal Work	250-499
Zenith Sintered Products Inc	Fabricated Metal Products	250-499

Source: WI DWD, Bureau of Workforce Information Bureau, ES-202 file tape, 1st quarter 1999 and LMI benchmark 2000.

Top 10 Private Sector Employers
Share of Nonfarm Employment



Top 10 Industry Groups
Share of Nonfarm Employment

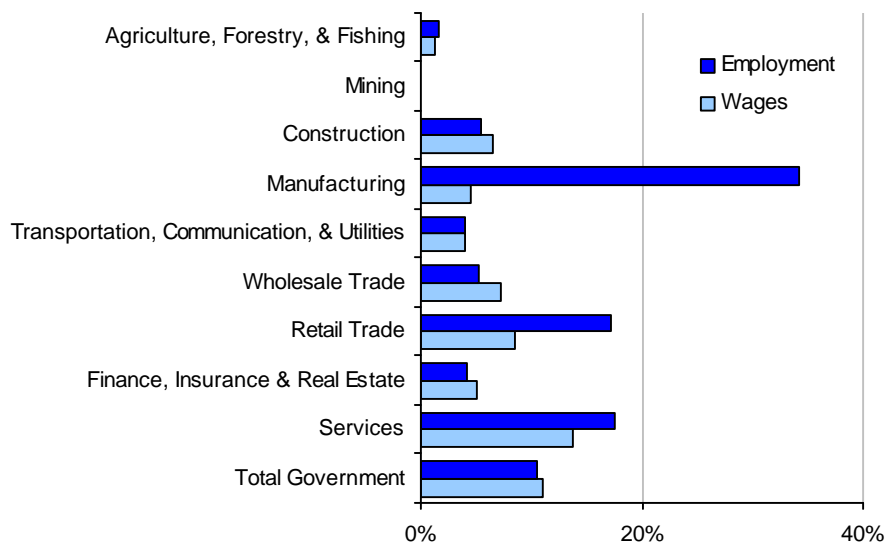


As a whole, Washington County's economy is considered relatively diverse, with little difference in total employment among the top seven of the ten top industry groups. Washington County's private sector employment is dominated by two state and national leaders in high-volume commercial printing services, Serigraph, Inc. and Quad/Graphics, Inc. In general, the top ten employers in the county are diversified among a variety of sectors, including the county's leaders in health care and eldercare — St. Joseph's Community Hospital and Benevolent Corp. Cedar Campuses, a large regional and national mutual insurance firm, West Bend Mutual Insurance Co., and a number of consumer goods producers. About one in every seven employees in Washington County is employed by one of the top ten employers, and the top ten industry groups in the county account for approximately half of all nonfarm employment.

Washington County Employment and Wages 1999

	Annual Average Wage	State Average Wage	Percent of State Average	Percent change 1 year	Percent change 5 year	Number of Workers
All Industries	\$28,028	\$29,609	94.7%	3.3%	21.2%	46,986
Agriculture, Forestry, & Fishing	\$21,417	\$21,499	99.6%	6.6%	27.2%	794
Mining	*	\$39,968	*	*	*	*
Construction	\$33,584	\$36,772	91.3%	4.1%	20.3%	2,557
Manufacturing	\$34,716	\$37,773	91.9%	3.5%	20.0%	16,103
Transportation, Communications, & Utilities	\$28,383	\$34,523	82.2%	4.2%	17.7%	1,831
Wholesale Trade	\$38,928	\$38,048	102.3%	1.9%	23.6%	2,456
Retail Trade	\$13,883	\$15,066	92.1%	5.5%	21.9%	8,072
Finance, Insurance, & Real estate	\$33,997	\$37,911	89.7%	6.4%	27.9%	1,956
Services	\$22,076	\$26,041	84.8%	0.8%	27.4%	8,256
Total Government	\$29,409	\$32,017	91.9%	2.0%	8.6%	4,919

Total Employment and Wage Distribution by Industry Division



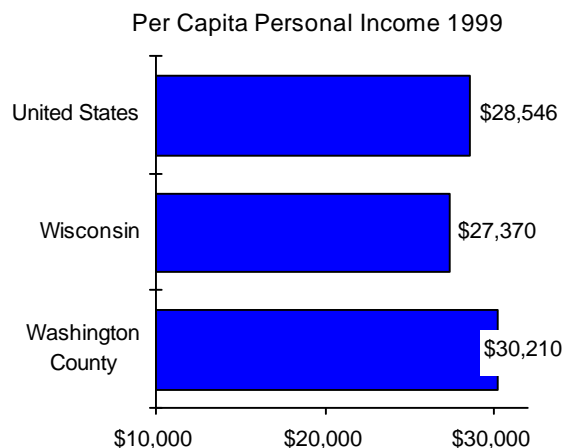
Source: WI DWD, Bureau of Workforce Information, *Employment, Wages and Taxes Due covered by Wisconsin's U.C. Law, Tables 209-211.*

The table at the top of the page displays average wages paid by industry and their relationship to the state's industries wage. Washington County's wages for all industries are 5.3 percent lower than the state aggregate wages paid and is approximately 16 percent lower than the metropolitan area average wage paid. Wages in Washington County have risen 21 percent over a five year period and 3.3 percent over the year. Wages in the state have risen a bit more rapidly at 22 percent over the same five year period. The rate of wage growth is especially important, vis-à-vis the consumer price index change (page 7), which is the best gauge of overall inflation and gives an idea of the true buying power of one's wages.

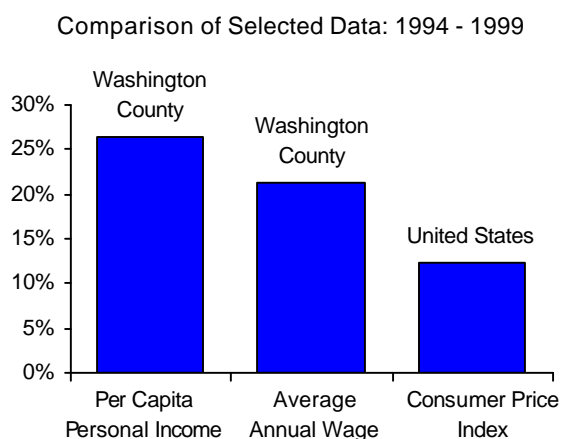
Annual wages are fairly comparable to those received in the state as a whole. However, there are a few notable discrepancies. Of the major industry categories, only wholesale trade workers receive a higher annual wage, on average than their counterparts in other parts of the state (102.3%). The two most notable negative disparities in wages between the county and state are observed in the Services sector (84.8%) and the Transportation, Communications, and Utilities industries (82.2%).

The employment/wage distribution graph shows the relationship between the percentage of industry employment to the percentage of total annual wages paid in all industries in Washington County. In general, most industries in the county pay "less" proportional to their representation in the county. The Manufacturing industries are a prime example of this phenomena. This is due, in part, to the prevalence of unskilled, entry level positions amongst new and expanding firms. In contrast, the Wholesale Trade sector has traditionally paid "more" proportional to representation primarily due to the established presence of this industry in the county and the nature of the work performed.

Washington County Wage and Income Data



The per capita personal income (PCPI) includes income from wages and self-employment, assets (dividends, interest, rent), and transfer payments (social security, insurance, welfare) divided by total population. PCPI is an interaction between income and population, therefore there may be a great deal of revision and volatility in estimates as both components are re-estimated on a frequent basis. Washington County's PCPI for 1999 held at \$30,210, lowest in the metropolitan area, still exceeds both state and national averages. The growth in PCPI over the past five years was 26.5%, slightly above the state and national growth rates of 26.1 and 26.4% respectively. Annual growth for 1999 in Washington County matched the US growth rate of 4.5%.



Washington County's PCPI ranks third, just in front of Milwaukee County among the four county metropolitan area. One explanation for the low PCPI and PCPI growth rate can be found when examining the average annual wage data. As was previously noted, the average annual wage in 1999 was below the state average. It is also important to note that 53.5% of the reported labor force is employed in Washington County, and is therefore subject to that wage. In addition, the PCPI in Washington County is much more dependent on wages and assets, in general, than either Waukesha or Ozaukee County. This also explains why PCPI lags behind that of neighboring counties.

	Per Capita Personal Income						Percent Change	
	1994	1995	1996	1997	1998	1999	1 year	5 year
United States	\$22,581	\$23,562	\$24,651	\$25,874	\$27,321	\$28,546	4.5%	26.4%
Wisconsin	\$21,699	\$22,573	\$23,554	\$24,791	\$26,227	\$27,370	4.4%	26.1%
Washington County	\$23,880	\$24,999	\$26,257	\$27,286	\$28,911	\$30,210	4.5%	26.5%

Source: U.S. Dept. of Commerce, Bureau of Economic Analysis, Regional Economic Information System.

Selected Occupational Wage Data

	Mean	Median
Accountants & Auditors	\$ 21.29	\$ 18.91
Computer Programmers	\$ 24.08	\$ 22.35
Computer Systems Analysts	\$ 25.47	\$ 24.80
General & Operations Managers	\$ 34.99	\$ 31.30
Janitors & Cleaners	\$ 8.50	\$ 7.88
Machinists	\$ 14.88	\$ 14.44
Nursing Aides/Orderlies/Attendant	\$ 9.12	\$ 9.12
Receptionists and Info. Clerks	\$ 9.61	\$ 9.52
Registered Nurses	\$ 21.09	\$ 20.26
Secretaries, ex. legal & medical	\$ 12.16	\$ 11.95
Team Assemblers	\$ 10.96	\$ 10.11
Tool & Die Makers	\$ 20.15	\$ 19.75
Truck Drivers, heavy/tractor trailer	\$ 17.38	\$ 17.47
Truck Drivers-light or delivery	\$ 10.51	\$ 9.89
Welders & Cutters	\$ 10.20	\$ 9.79

Source: DWD, BWI, 1999 OES wage survey, Milwaukee-Waukesha MSA

The wages for the selected occupations in this table were reported by employers in the Milwaukee-Waukesha metropolitan statistical area (MSA) who responded to the Occupational Employment Statistics (OES) survey. Employers from all Wisconsin counties participated in the survey but published data was limited to MSA's.

Wage structures are important information to the employer, the job seeker and the employed as career decisions and labor retention issues are contemplated. The mean or average wage is the sum of the occupation's wages divided by the sum of all those in the occupation. The median wage is the midpoint of all wages; there are exactly the same number of wage earners above and below this wage. If the median is significantly below the mean, an employer offering mean wages, theoretically, should capture most of the market. In addition, competition for positions at the mean wage is significant.